



**FIRST NATIONWIDE MORTGAGE CORPORATION (FNMC) –  
HOME ON TIME (REFINANCES)**

**I. PROGRAM SUMMARY**

<b>PROGRAM DESCRIPTION</b>	<p>The <b>First Nationwide Mortgage Corporation – Home On Time</b> program provides refinance opportunities to low/moderate income home owners, who typically do not take full advantage of lower rates, due to the perceived hassle and concerns about re-qualifying and providing cash to close. The program is a streamlined rate and term refinance loan that enables the applicant to qualify on performance of their current loan, rather than traditional documentation.</p> <p>There are two refinance options:</p> <ol style="list-style-type: none"><li>1) <u>Option 1</u>: 95% LTV streamlined rate and term refinance for first loan only, with no cash-out, OR</li><li>2) <u>Option 2</u>: 97% LTV streamlined rate and term refinance; exceptions are considered on a case-by-case basis with full documentation</li></ol>
<b>TARGET MARKETS</b>	<p>This program is intended for low/moderate income borrowers in the Bank's Assessment areas only.</p>
<b>PARTICIPATING LENDERS</b>	<p>First Nationwide Mortgage Corporation's correspondent lenders.</p>
<b>BORROWER ELIGIBILITY</b>	<p>Borrowers must meet all of the following requirements:</p> <ul style="list-style-type: none"><li>• See Program Restrictions, below</li><li>• Current homeowners must demonstrate at least a two-year payment history on subject property or previous mortgage or rental, or a combination of a minimum of 12 months mortgage history and 12 months rental history</li><li>• The mortgage on subject property must be less than or equal to conforming loan limit, and is currently held by an institutional lender. Seller-held loans are not eligible</li></ul>
<b>PROPERTY ELIGIBILITY</b>	<p>Properties must meet the following requirements:</p> <ul style="list-style-type: none"><li>• Be an owner-occupied, single-family, one-unit residence, including approved townhomes, condo/PUDs</li><li>• For condos – a condo association certification must be obtained</li></ul>
<b>TRANSACTION TYPE</b>	<p>Refinance.</p>

<b>MAXIMUM LOAN AMOUNT</b>	<ul style="list-style-type: none"> <li>• \$250,000 – with automated Valuation Model (AVM). If AVM does not indicate a value, then a 2055 (exterior inspection) is acceptable.</li> <li>• \$350,000 – loan amounts greater than \$250,000 require an appraisal or 2055 (exterior inspection).</li> </ul> <p>Combined loan amount maximum includes sum of first and any subordinate financing.</p>
<b>PROGRAM RESTRICTIONS</b>	<p><u><i>Geographic Restrictions:</i></u></p> <ul style="list-style-type: none"> <li>• Bank Assessment Areas only</li> </ul> <p><u><i>Income Restrictions:</i></u></p> <ul style="list-style-type: none"> <li>• In Bank Assessment areas, borrower's income must be less than 80% of the HUD median income for the area in which the borrower is purchasing; there are no income limitations if subject property is located in a low/mod census tract (identified with an asterisk (*) on Fannie Maps)</li> <li>• Income should be rounded to nearest \$1000 prior to comparing to 80% of HUD median</li> </ul>
<b>MORTGAGE INSURANCE</b>	<p>Mortgage insurance from Mortgage Insurance Services is required on the first loan, as follows:</p> <p><u><i>Option 1: 95% LTV Program (MI Plan #615):</i></u>  Coverage: 50%  Cost: 60 bps  Due: Monthly</p> <p><u><i>Option 2: 97% LTV Program (MI Plan #609):</i></u>  Coverage: 50%  Cost: 78 bps  Due: Monthly</p>
<b>BUYDOWNS</b>	Permanent buydowns are allowed; no temporary buydowns.

## II. UNDERWRITING CRITERIA

<b>MINIMUM FICO SCORE</b>	<p>Borrowers must have a minimum FICO credit score of 620 or greater. In addition borrower's credit history must reflect the following:</p> <ul style="list-style-type: none"> <li>• No 30-day late housing payments in past 24 months</li> <li>• Bankruptcies must be fully discharged for no less than four years</li> <li>• No foreclosures</li> <li>• No outstanding judgments or tax liens</li> </ul>
<b>SEASONING REQUIREMENT</b>	Current mortgage must have at least 12 months seasoning; if less than 12 months, then the last 12 monthly payments must have been greater than the proposed payment, and the borrower cannot have taken cash-out in the past 12 months.

<b>RATIOS</b>	Ratios will be calculated from the 1003. Total debt ratio should not exceed 50%. Ratios above this (up to 60%) may be approved by a Regional Underwriting Manager after a careful review of the borrower's ability to handle their debt for a period of at least two years, and other compensating factors. Monthly P & I must be reduced as a result of this refinance.
<b>CASH RESERVES</b>	None required.
<b>INCOME REQUIREMENTS</b>	Refer to investor guidelines.

**IMPORTANT DISCLOSURE INFORMATION:**

The information provided in this program description is for guidance only. While we have taken care to provide accurate information, we cannot cover every circumstance nor program nuance. Lenders will need to refer to investor guidelines for specific underwriting and compliance issues. Lenders should be aware that Mortgage Insurance Services' underwriting guidelines are for mortgage insurance only and not necessarily the same as restrictions imposed by the investor. The more restrictive guidelines apply. This program description is subject to change from time to time without prior notice.

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